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FURTHER REPORTAGE ON RADIOACTIVE MATERIAL SPILL

Material Identified

PY121742 Buenos Aires TELAM in Spanish 1450 GMT 12 Jan 87

[Excerpts] Buenos Aires, 12 Jan (TELAM) -- Federal Police sources today reported that three tubes containing uranium oxide, which were being shipped to Canada for enrichment, spilled early this morning at the loading platform of Aerolineas Argentinas in the Ezeiza International Airport. [passage omitted]

Personnel of the Radiological Section of the Federal Police Fire Department indicated that the spill does not pose any danger of environmental radioactive contamination.

CNEA Issues Communique

PY130253 Buenos Aires TELAM in Spanish 0057 GMT 13 Jan 87

[Text] Buenos Aires, 12 Jan (TELAM) -- The spill of drums containing natural uranium concentrate on one of the platforms at Ezeiza International Airport this morning has prompted the National Commission for Atomic Energy [CNEA] to issue a communique stating that the transportation of this material is a normal procedure not subject to risks and carried out according to international regulations. Moreover, natural uranium is only slightly radioactive.

The CNEA states: "Today, at 0215, as a shipment of natural uranium was being loaded aboard a Flying Tigers Transportation Company airplane bound for Canada, 19 drums of natural uranium concentrate fell from the platform from which they were being loaded.

"As a result of the fall, some of the drums were damaged and some of the natural uranium concentrate powder spilled on the platform.

"As soon as this incident was reported, the CNEA sent specialized personnel to the site to recover the spilled material.

The material was then taken to the exclusive CNEA area at Ezeiza Airport to be repacked.

"Natural uranium shipments to Canada constitute a normal operation that does not pose any risk because the shipments are carried out according to international regulations. Moreover, natural uranium is only slightly radioactive.

"Given these characteristics and the fact that the material was recovered, this incident has not affected the health of any airport personnel involved in the operation, and it obviously does not represent any danger to the health of the population.

"In conclusion, the CNEA finds it necessary to point out that, despite some negative reports issued immediately after the incident, there has not been any [words indistinct] or further from the specific area where the material spilled."

CGT ORDERS 24-HOUR GENERAL STRIKE THIS MONTH

PY091337 Buenos Aires TELAM in Spanish 1722 GMT 8 Jan 87

[Text] Buenos Aires, 8 Jan (TELAM) -- The General Confederation of Labor [CGT] Confederal Central Committee today approved a proposal made by the CGT Executive Board to hold a 24-hour national strike this month and to remain in permanent session.

The CGT Confederal Central Committee has instructed the executive board to determine the date, and implementation details of the strike. The resolution to strike was made following a discussion of the first of the five points proposed by the CGT leadership.

The CGT leadership decided to continue discussions today on the four remaining points, and then adjourn sessions for 45 days until 12 March. Meanwhile, the CGT will draw a mobilization plan and contact all national sectors.

MINISTRY DENIES RECEIVING CHILEAN 'REQUEST'

PY100102 Buenos Aires DYN in Spanish 1601 GMT 9 Jan 87

[Text] Buenos Aires, 9 Jan (DYN) Argentine Foreign Ministry sources have revealed that neither the Foreign Ministry nor the Chilean Embassy are aware of any request made by Chilean officials to the Argentine Government. The request was reportedly concerning alleged statements made by President Raul Alfonsin regarding the Chilean political situation.

According to reports disclosed here, Chilean Foreign Minister Jaime del Valle gave instructions to Chilean ambassador in Buenos Aires Arturo Fontaine to request the explanation.

According to the magazine SOMOS, Alfonsin reportedly alluded to the Chilean dictatorial regime during his meeting with Soviet leader Mikhail Gorbachev and Cuban President Fidel Castro. Del Valle reportedly stated that the SOMOS report was a "great surprise" to the Chilean Government.

JUDGE APPOINTED TO INVESTIGATE TERRORIST ATTACK

PY121605 Buenos Aires TELAM in Spanish 1449 GMT 10 Jan 87

[Text] Comodoro Rivadavia, 10 Jan (TELAM) -- Federal Court Judge Pedro Cortelezzi has taken charge of investigations into the terrorist attack against the Communist Party [PC] local committee offices that occurred early yesterday morning. A medium-sized bomb exploded by a window of the offices located in the Pietrobelli neighborhood of this city.

Although court and Police officials are maintaining silence concerning the investigations, apparently no clues have been found that would lead to the attackers' identification.

The attack was repudiated by Chubut Governor Atilio Viglione who said that acts of this nature are against democracy, peace, and tranquillity, conditions in which the population of our country live today.

He also promised his government's best effort to solve the case and punish the guilty party.

Various political parties of the city, including the Movement Toward Socialism (MAS), the Intransigent Party, the Christian Democratic Party, the Movement for Renewal and Change, and the local branch of the Radical Civic Union (UCR), have released communiques condemning the attack on the PC offices.

The UCR document stresses the group's rejection of this act of intolerance carried out by minority sectors who have not yet understood Argentina's firm decision to live in a climate of peace and harmony, respecting dissent and democratic coexistence.

PAZ ANNOUNCES EMERGENCY EMPLOYMENT PLAN

PY122335 La Paz PRESENCIA in Spanish 3 Jan 87 p 1

[Excerpt] President Victor Paz Estenssoro yesterday announced that in the first months of 1987, his administration will carry out an emergency plan to temporarily reduce unemployment until national economic and social development projects with secured financing are begun.

President Paz revealed this government plan in his message to the diplomatic corps and international organizations representatives, during the traditional New Year greetings ceremony.

The president referred to the national situation, and said that inflation, "which had reached unbelievable levels, was destroying the moral and monetary resources of the nation. Bolivia lost its way, and there was no light on the horizon."

"We managed to sort out that terrible situation. Now, even though our basic problems remain unsolved, we can say we are beginning to overcome that phase."

The Bolivian president admitted that the economic and financial reorganization measures have had a high social cost in their first phase, "although that cost is much less than the cost of hyperinflation. We hope to improve social conditions, in the not-too-distant future," he said.

The president ascribed great value to peace without degrading hegemonies of threats. He said: "Only with peace, tended like a precious seed, will we be able to keep the inheritance common to all of us: this earth, which is a place to live in and not a place in which to carry out disastrous confrontations."

Paz recalled the words of Pope John Paul II, who has invited mankind to "reflect about peace and to celebrate peace."

"This is currently, a very important subject, the survival of human beings within our spiritual and material framework. Large numbers of impoverished and backward countries have an urgent need to satisfy their basic needs through economic and social development, within a fair and more generous order ruling the people and establishing a better distribution of wealth." [passage omitted]

SARNEY DISCUSSES STATE OF UNION, ECONOMY

PY122130 Brasilia Domestic Service in Portuguese 2100 GMT 9 Jan 87

[Speech by President Jose Sarney on "Chatting by the Radio" program; time and place not given -- recorded]

[Excerpt] President Jose Sarney is addressing you again, on the first "Chatting by the Radio" program of 1987. I want to extend to you my wishes for success and happiness.

We have reached the end of 1986 with a record growth rate for our country. Our Brazil has reached the highest level of industrial growth in the Western world: almost 12 percent. We finished 1986 with the lowest unemployment rate in recent years. We finished the year with renewed economic growth and by increasing real salaries.

These are reliable date furnished by the Dieese [Interunion Department of Statistics and Socioeconomic Studies], which is in charge of assessing the economy for the workers.

In December, we had the highest growth and employment rate, and the greatest increase in workers real wages. Unemployment in Sao Paulo has fallen to 8.2 percent, and middle-sector incomes increased 12 percent. These are facts, not mere words.

In 1986, we consolidated democracy and held elections with the largest participation in the history of the country. The Brazilian people have become masters of their own destiny, and the president of the Republic has become slave of his work.

We are going to give you more data. The government has been strongly criticized for not fulfilling its task of reducing public expenditures. Very well. In 1985, the government spent 3.9 percent of the GDP. In 1986, the year just ended, these expenditures fell to 2.5 percent of the GDP. This means that we have reduced our expenditures by almost half.

Inflation, which in 1985 reached 235.11 percent, dropped in 1986 to 22.8 percent, according to the Consumer Price Index [IPC], almost 10 times lower than the previous year. The General Price Indexes for January and February 1986 were 46.67 and 46.45 percent respectively. This was before the Cruzado Plan was implemented.

In 1986, we had a positive trade balance of $10 billion, an 8-percent GDP growth rate, and a 5-percent growth rate for agricultural production.

These are very important data. No other country in the world has performed like Brazil, which, in addition to experiencing economic problems, also had to face institutional problems. I want to announce to all Brazilians that our plans for 1987 are to maintain the economic growth between 5 and 7 percent, to maintain the employment rate, to maintain the trade balance surplus of $10 billion; to continue with the process of consolidating democracy, and to prepare a constitution that will guarantee social rights and democratic freedoms. Other objectives for 1987 are to give priority attention to the poor, and not to give in to domestic and foreign pressures.

These good results, however, are not sufficient to stop the widespread pessimism that has prevailed since the first day of my term of office. Despair has been disseminated night and day and misfortune is being announced.

Fortunately, Brazil will not have to live through any such calamity. Of course we have problems. But what country has no problems? Brazil, with its human and natural resources, with its resoluteness, has no reason to fear the future. We are here to deal with problems. The government is not going to stand by with its arms folded. The government is here to work. And to work means to solve problems. We have serious problems, as you all know very well. We have problems with bribery, with the speculators' prices, and with the greedy. As I said before, economics is not like geometry. It must be adjusted everyday. The government must constantly face powerful groups that look after their own interests and rarely after those of Brazil.

I must also say that we are negotiating our foreign debt. These negotiations will begin on 19 January, and we at home will begin to feel the same pressures the country is experiencing abroad to try to force us to negotiate from a weak position. But the presure will not intimidate us.

To show the level to which the country's spirit has fallen, it is enough to note that industrial leaders, now that we are trying to consolidate the state of law in Brazil, are preaching civil disobedience and anarchy, or else deciding to take sides with things of the past century, allies of Bakuninism [referring to Mikhail Aleksandrovich Bakunin].

I think the Brazilian workers, who have suffered a great deal and shouldered the burden of absolute misery, have had much patience. They represent real problems and a national shame. But instead of receiving help to solve these problems, we are attacked. This makes solutions more difficult. But you can rest assured that we are goig to fulfill our tasks. We are here, as I said, to solve problems and conflicts, with patience and with no strong feelings, because no one is going to destabilize the government. We have the support of the Brazilian people to accomplish our task. [passage omitted]

FUNARO CLAIMS INCREASE IN JANUARY INFLATION RATE

PY122350 Brasilia Domestic Service in Spanish 2100 GMT 12 Jan 87

[Text] Finance Minister Dilson Funaro has admitted that there is an increase in the inflation rate. Without giving any figures, Funaro said that the January inflation rate will be quite high.

Funaro said that the inflation rate must be curbed immediately and urged all Brazilians to find a way to combat a problem that is reappearing after 10 months of economic stability.

He urged businessmen to limit the readjustment of prices, and added that after prices are readjusted no production sector will work at a loss.

MINAS TO NOMINATE GARCIA FOR VICE PRESIDENT

PY121510 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 12 Jan 87

[Excerpt] Some PMDB [Brazilian Democratic Mobilization Party] deputies in Minas Gerais have confirmed that they are organizing a campaign to make Governor Helio Garcia the vice president of Brazil. The campaign is based on the concept that once Congress enters the upcoming recess prior to the workings of the National Constituent Assembly, there will be no president of Congress to act as substitute for the president of the Republic if needed. The topic will be discussed on 16 January between Minas Gerais federal and state congressmen and Governor-elect Newton Cardozo.

Meanwhile, Deputy Mauricio de Padua, former public works secretary of the Minas Gerais government, and a close friend of the governor, has said that Helio Garcia would not accept an indirect election, even it it is for only a short period of time.

In Minas Gerais, Helio Garcia can count on the possible support of the PFL [Liberal Front Party] for his presidential ambitions. Helio Garcia has avoided answering questions arguing that the issue comes under Congressional jurisdiction. [passage omitted]

GOVERNMENT SETS COFFEE EXPORT PRICES FOR 1987

PY091635 Paris AFP in Spanish 1615 GMT 8 Jan 87

[Text] Rio de Janeiro, 8 Jan (AFP) -- The Brazilian Coffee Institute [IBC] has decided to reopen the exportation permit lists for February which have been closed since 22 November 1986.

This decision was made after a meeting between Brazilian Finance Minister Dilson Funaro and the IBC exports director yesterday night. The new Brazilian pricing system for the international market was defined during the meeting.

The minimum price for Brazilian coffee export permits will now be flexible and will be established daily according to the International Coffee Organization indicators. Prices will also be set in New York for the Arabic variety and in London for the Conillon variety [Colombian variety].

According to Rio de Janeiro coffee exporters, the 60 kg bag of best quality coffee should sell at 1,800 cruzados, or $118, which would make Brazilian coffee competitive again on the international market.

National Coffee Council [Consejo Nacional del Cafe] President Jaime Nogueira Miranda, said that the new pricing system will certainly provoke a positive reaction on the market.

The adoption of this pricing system in Brazil has prenvented a crisis that had been brewing for some time and has caused the government to promise to pay a minimum price of 2,150 cruzados (about $142) per bag.

Brazilian coffee producers and exporters were recently beginning to mobilize and were even considering protesting in Brasilia to force authorities to fix and export sales policy for 1987.

During past years the export prices were announced in November for the coming year.

This year's delay is the result of a mistaken IBC policy in 1986, which was considered one of the darkest years for Brazilian coffee producers.

Given the terrible drought that affected Brazil in 1985, the IBC had bet on a high-price policy because it was convinced that there would be an international coffee shortage. However, this shortage did not occur.

Brazil had expected to export 14 million bags of coffee and earn $4 billion. However, Braail only exported 9.5 million bags and earned only $2.3 billion.

UNAUTHORIZED PRICE INCREASES TO BE SANCTIONED

PY101527 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 19 Jan 87

[Text] The government has warned that enterprises that adjust their prices without the proper authorization run the risk of not receiving credit.

Yesterdasy the Finance Ministry warned that it will not tolerate any price readjustment that is not authorized by the Interministerial Price Council because this might cause inflation and affect workers' real income.

BITTENCOURT DESIGNATED PRESIDENTIAL SPOKESMAN

PY090311 Sao Paulo FOLHA DE SAO PAULO in Portuguese 8 Jan 87 p 1

[Text] Journalist Getulio Bittencourt, 35, senior publisher of the Sao Paulo newspaper GAZETA MERCANTIL, has accepted the invitation that President Jose Sarney extended to him yesterday to serve as presidential spokesman, replacing Fernando Cesar Mesquita (journalist Frota Neto has been working as acting spokesman). Bittencourt will have tomorrow at the latest to present his plan of action, within these limits imposed by Sarney: The new press secretary's image must be different from that of his predecessor, and he must also try to improve the government's image without injecting a personal bias. One of his objectives is to reorganize the government communications system. The president's civil household chief has prepared a study that includes the reorganization of the old SECOM (Secretariat of Mass Media), as well as the BRAZILIAN NEWS AGENCY [EBN], Radiobras [Brazilian Radiobroadcasting Company], and the Funteve [Fund for Financing Educational Television]. Bittencourt will be able to develop this project if the president approves his work proposal.

Born in Governador Valadares, Minas Gerais State, Bittencourt has been a journalist for 17 years and will be the third presidential spokesman since Sarney took office.

LAND CONFLICTS CAUSE 272 DEATHS IN 1986

PY080247 Paris AFP in Spanish 2133 GMT 7 Jan 87

[Text] Rio de Janeiro, 7 Jan (AFP) -- According to official statistics released today in Rio de Janeiro, at least 272 people were killed in conflicts over possession of land in Brazil in 1986. According to the statistics prepared by the Agrarian Reform and Development Ministry, violence over land possession caused 10.4 percent more victims in 1986 than in 1985.

In 1986, 109 people were killed in the northern region of Brazil, where the most serious conflicts occurred, according to official statistics released today in Rio de Janeiro.

In an attempt to repress the violence over land possession, which began in 1964 and 1986 caused 1,395 deaths, President Jose Sarney in May 1985 implemented an agrarian reform program that calls for granting land titles to 7,100,000 peasant families through the year 2000. This program, which large estate owners oppose, proceeded gradually in 1986. Land titles were given to approximately 5 percent of a group of 150,000 peasant families who were scheduled to receive their titles in that period.

UN SPECIAL ADVISER VOLIO TO VISIT IN MARCH

PY121711 Santiago Radio Chilean Network in Spanish 1600 GMT 12 Jan 87

[From La Moneda Palace by Eliana Henriquez]

[Excerpt] UN Special Adviser for Human Rights in Chile Fernando Volio will visit the country the second half of March. The government has authorized the UN representative to advance his trip to Chile. This report was released by Foreign Ministry spokesman Pablo Valdez.

Initially, the visit of the UN representative was set for mid-April, but now the definite date for his visit, the second half of March, was decided in Costa Rica by Foreign Ministry Adviser for Special Affairs Mario Calderon and Fernando Volio. During his stay in Chile, Volio will prepare a new report on the human rights situation in the country. [passage omitted]

CLINIC TERRORISTS, PINOCHET ATTACKERS LINKED

PY130155 Santiago Domestic Service in Spanish 2200 GMT 12 Jan 87

[Text] The criminal extremists found in the clandestine clinic on Piachenza Street in Las Condes District have been brought together with the terrorists who participated in the attack against President Pinochet. This session confirmed that there was a close relationship between members of the two groups. After this identification session, it was established that the two groups were linked.

Judge Fernando Torres Silva, who is hearing these cases, has indicated five of the extremists, who on 7 September ambushed the president in the Cajon del Maipo area. The judge indicted six other criminals who provided weapons to the subversives.

In another recent action, Judge Torres Silva indicted the seven individuals captured by security agents at the clandestine clinic. Investigations indicate that three of the extremists wounded during the attack against the president were treated at this clinic. On 9 January, Judge Torres Silva visited the clinic on Piachenza Street along with one of the detained extremists, Patricia Herrero. On that occasion he ordered that several household items found in the terrorists' clandestine clinic be analyzed.

MIR MEMBER RECEIVES 16-YEAR PRISON SENTENCE

PY130218 Santiago EL MERCURIO in Spanish 10 Jan 87 p C1

[Excerpts] Guillermo Aurelio Rodriguez Morales, a member of the Revolutionary Movement of the Left [MIR] who was involved in nine arson cases from September 1980 to April 1981, has been sentenced to a 16-year prison term. [passage omitted]

The higher court ruling was handed down by Fernando Carreno Molina, the president of the 16th criminal court.

Rodriguez Morales is also facing a life sentence, which was handed down by the court martial for the homicide of CNI [National Intelligence Center] agent Carlos Tapia Barraza on 6 July 1981. [passage omitted]

CONCYTEC TO SIGN AGREEMENT WITH SOVIET ACADEMY

PY122343 Lima EL COMERCIO in Spanish 30 Dec 86 p A7

[Text] Engineer Carlos del Rio, president of the National Science and Technology Council (Concytec), has reported that Concytec is about to sign a scientific cooperation agreement with the USSR Academy of Science.

Yesterday three physicists of the USSR Academy of Science, Vlasko Visov, Vlasko Klassen, and Anatoliy Anisinov, exchanged opinions with Peruvian scientists representing Peruvian universities, the Peruvian production sector, the Armed Forces, and national research institutions.

Del Rio said the purposes of the agreements with the USSR are to seek a personal relationship between Peruvian and Soviet scientists, to exchange information, and to achieve joint projects in the use of lasers, the development of semiconductors, metallurgy, applied mechanics, medicine, and a series of technological development programs.

Soviet physicists Visov, Klassen and Anisinov are on a tour of South America. They arrived in Peru from Brazil. They held meetings with Peruvian scientists in a seminar called "Applied Physics, Solid State," which was sponsored by Concytec.

POLICE ARREST MEMBERS OF 'POWERFUL' DRUG GANG

PY101730 Paris AFP in Spanish 1655 GMT 9 Jan 87

[Text] Lima, 9 Jan (AFP) -- Police sources have revealed that five members of the Peruvian Investigative Police (PIP), who regularly escorted and protected cocaine cargos being shipped through the Amazonian jungles near Iquitos, capital of Loreto Department, have been arrested. The same sources said the policemen, part of a group of eight, were arrested in Iquitos a few days ago, during a Chejo [not further explained] operation headed by PIP Commander Gustavo Olachea.

The arrest of the other three fugitive policemen, who have already been identified, and who were able to escape by running into the jungle, is expected at any moment.

The eight policemen, assigned to the police post of Yurimaguas, capital of Alto Amazonas Province, had been giving armed protection to the international organization lead by Manuela Panduro Morris de Urteaga, a rich woman known in the Amazon region as the Pharaoh of Cocaine. According to a Lima newspaper correspondent, the woman, who was also arrested in Iquitos during a simultaneous operaton, mysteriously obtained her freedom thanks to unknown influences, and remains a fugitive.

The source added that the investigation, leading to the destruction of this powerful organization, which included Peruvian policemen, began quietly some months ago. It was carried out by the Peruvian Civil Guard Intelligence Service and the U.S. Drug Enforcement Administration (DEA).

The investigation established that the policemen, armed with revolvers and machine guns, made frequest trips to Iquitos carrying official documents to prove they were traveling on police missions.

However, according to the source, they were actually escorting fast motorboats loaded with cocaine base along rivers in the Peruvian jungles. Not only did they protect the illegal shipments, they also used their badges to prevent authorities from checking the cargos.

One of the arrested individuals, whose names and ranks -- sergeants, corporals and soldiers -- were published today, was the radio operator from Yurimaguas. He was in constant radio contact with the traffickers, who traveled the jungle rivers in modern speedboats equipped with strong radio transmitters and receivers.

The police also arrested Pedro Ruiz Diaz, the engine operator of the ship Raudo, in which the policemen began their last trip from Yurimaguas to Iquitos, escorting a 200-kg cargo of cocaine base. The cargo and the policemen, however, had switched to another boat. The large cocaine base cargo came from storage and production centers in Tocache, Juanjui, Saposoa, Bellavista, and Tarapoto, San Martin Department, among other places.

After the scandalous disappearance of 300 kg of cocaine base from a Colombian plane that crashed into the Parinapura River 1 month ago, and the release of its crew with whom the PIP agents were involved, Yurimaguas Deputy Prefect Oscar del Aguila decided to investigate the case with the help of the Republican Guard. According to Del Aguila, the release of two Colombians and a Peruvian pilot occurred 48 hours after they were detained and after the payment of $40,000. To hide their guilt, the PIP agents then mounted a specatular operation, detaining innocent peasants in the area where the plane crashed, Del Aguila said.

The deputy prefect's report led to the preparation of the Chejo plan by the police. Its implementation by the Civil Guard and the DEA led to the discovery of this new gang, which was operating in the region.

SANGUINETTI INTERVIEWED ON AMNESTY, ECONOMY

PY130056 Buenos Aires LA NACION in Spanish 7 Jan 87 pp 1, 2

[Interview with President Julio Maria Sanguinetti by correspondent Barret Puig at the president's office in the Libertad building in Montevideo -- date not given]

[Text] [Puig] Mr President, what is your evaluation of this past year?

[Sanguinetti] For Uruguay, 1986 was a historic year. From the economic viewpoint, our country resumed its growth; from the social sectors viewpoint, real salaries and the level of employment substantially improved; and from the political viewpoint, a full stop has been applied to the conflict caused by the charges leveled against the military for actions taken during the dictatorship. Yet, what appears to be our most significant achievement is that our country has recovered its place in the international community, through integration agreements with Latin American countries, especially Argentina and Brazil. These integration efforts have played a major role in the new style of work that characterizes our country.

[Puig] Do you believe that the conflict in the military sector has weakened the institutions?

[Sanguinetti] The institutions are stronger than ever. The law that establishes a full stop to the legal proceedings (against military men and policemen) was approved by a large majority in Congress. The decision to approve the law emerged from an accord between the two traditional parties, the Colorado and the Blanco Parties, and these parties represent 80 percent of our population. The Marxist minorities are very active in our country; they have a lot of money, they orchestrate intense campaigns, and in foreign countries they supply markedly distorted information on our situation. Despite all this, they remain minorities.

[Puig] Has the military threatened to disobey orders to appear in court?

[Sanguinetti] The alleged threats are nothing but rhetoric. Last year we decreed an amnesty for those in jail, for those who had never geen in jail, for those who committed minor crimes, and for those who committed murder. Why didn't anyone ask then whether we did this because we were afraid the Tupamaros might resume their violent actions? We have to admit that if we had not released those who were in jail, and if we had begun pursuing those who were wanted on terrorist charges, we would not have helped our country achieve peace. We therefore decided to decree a general amnesty, despite the fact that some of us wanted a restricted amnesty. It was naive to deny that this situation could cause conflicts. At that time we did not act out of fear. Now, when a similar decision has been made for the military, why can't the situation be measured by the same yardstick? The trial of military men could undoubtedly become a source of conflict, especially after an amnesty has been decreed for the guerrillas.

[Puig] Why would the prosecution of the military be a source of conflict?

[Sanguinetti] It should be noted that the situation in Uruguay is quite different from the one in Argentina. First, the military presence in Argentina's political life had been endemic, while in Uruguay, the military episode of 1977 was an isolated incident in a century. Second, the Uruguayan Armed Forces were not ousted, as occurred in Argentina after the Malvinas War.

The Uruguayan political process was the result of long negotiations between the politicians and the Armed Forces. Third, repressive actions in Uruguay were both qualitatively and quantitatively different.

[Puig] How are these actions different from the repressive period in Argentina?

[Sanguinetti] Quantitatively, because 25 people disappeared in 12 years of dictatorship, and because 66 soldiers and civilians and 96 terrorists died in 10 years of antisubversive war. Qualitatively, because these people died and disappeared because of excesses, not because of a decision to exterminate a specific group. Fourth, and this is a major difference, because while in Argentina all the people involved -- subversives like Firmenich, and military men like the Armed Forces' commanders -- were brought to trial, the opposite occurred in Uruguay. We granted total amnesty to the terrorists. Therefore, it was absolutely logical to grant the same treatment to those military men who committed excesses. All this gives special characteristics to our situation. Under such circumstances, the Uruguayan military would feel that it had been betrayed by society and by the politicians if it did not receive the same treatment given to those who violated the Constitution and disrupted public order.

[Puig] Isn't it abnormal that the Senate expelled Broad Front Senator Jose German Araujo?

[Sanguinetti] No. I admit that it is not a standard procedure, but it is not abnormal. The decision was made by a 25-to-5 vote of the Senate, at the request of the Chamber of Deputies. It was a categorical decision. The lawmakers who, like Araujo, had just voted against the Full Stop Bill, immediately thereafter voted for the expulsion of the senator.

Why? Because they could not allow a gentleman who occupies a seat in Congress to sponsor a violent riot at the Legislative Palace's gate in order to pressure his peers. Incidentally, it was not the first time he did something like this. The executive branch had nothing to do with this. The decision was made by the lawmakers.

[Puig] What is your personal opinion of the case?

[Sanguinetti] I deeply respect the attitude of Congress, which has undoubtedly emerged stronger in the eyes of the public.

[Puig] Is the socioeconomic situation improving, as demonstrated by statistical data?

[Sanguinetti] The figures are very clear. Our GNP dropped 17 percent between 1982 and 1984. We managed to stop that decrease in 1985 and to make the GNP grow by 5 percent in 1986. This achievement was based on our exports, which grew by 25 percent compared with those of the previous year.

[Puig] How have those figures affected the population, the workers?

[Sanguinetti] This growth has been coupled with an improved distribution of wealth, because in 2 years, the real salary, or the salary that has been corrected for inflation, has grown by 20 percent, while the unemployment rate has dropped from 14 percent to less than 10 percent of the economically active population. The construction sector, which was he slowest to catch up with the reactivation, has already begun to grow.

[Puig] What do you think of your country's future?

[Sanguinetti] Our country has a promising future. It is not by chance that after losing $1.6 billion of our reserves between 1982 and 1984, we recovered $227 million in 1985 and $250 million in 1986. These figures are very important for a country like Uruguay.

DEFENSE MINISTER ON MILITARY PERSONNEL REDUCTION

PY122145 Madrid EFE in Spanish 1010 GMT 12 Jan 87

[By Alberto Pepe Leira]

[Excerpts] Montevideo, 12 Jan (EFE) -- Uruguayan Defense Minister Juan Vicente Chiarino has announced a more rapid reduction of the Armed Forces officer corps than expected. Meanwhile, the political left is preparing a referendum to reject the "full stop" law regarding the trials of military officers charged with repression.

Before the end of the year the number of military officers will be approximately 27,000, similar to what it was in 1973, when the military coup took place. After the coup, the military apparatus began to grow in a disproportionate manner.

At the conclusion of the military government, the national defense budget provided for 42,764 military men from a population of 2 million.

Talks on the convenience of "pardoning" those charged with violating human rights and the approval of the "full stop" law have deteriorated the political atmosphere and distorted the relationship between political parties. [passage omitted]

The defense minister stated that the "full stop" law was a result of the amnesty granted to the Tupamaros, which was approved when democracy was restored.

Chiarino noted: "The terms of the amnesty law that was approved in 1985 were inappropriate. However, we have to give the same treatment to the military."

In a statement to the media, the minister also said that 1986 had been a positive year for him, and that in 1987 "the process to reduce the military office corps will continue at a rate higher than that established when the democratic government came to power on 1 March 1985.

Chiarino disclosed that before the year is over, the number of subordinate military personnel will be similar to what it was in 1973.

WHen Uruguay returned to democracy, the Army had 23,924 men, the Navy 6,204, the Air Force 4,440, and the military sanitary services 2,972.

According to figures disclosed by the ministry itself, in 1973 the Army had 11,444 men, the Navy 3,831, and the Air Force 2,443.

According to political sources, the military and police budget during the "de facto" government [word indistinct] amounted to 43 percent of the central administration's expenditures.

The first budget of the democratic government provided for a defense budget of only 11 percent of the total state expenditures.

During the first year of the democratic government, 2,471 posts remained vacant, and an annual 15-percent reduction of military personnel was planned to begin this year with a similar number of personnel as that of 1973.

The budget, through the end of the current government's term in office in 1989, provides for a 10-percent reduction of defense expenditures.

COLORADO PARTY GROUP FAVORS 'FULL STOP' REFERENDUM

PY121549 Madrid EFE in Spanish 2321 GMT 11 Jan 87

[Text] Montevideo, 11 Jan (EFE) -- A sector of the governing Colorado Party has decided to support a call for a referendum on the full stop law that has suspended the trials against military officers and policemen who are charged with violating human rights.

Last night, the Batllista Reaffirmation Movement [Movimiento de Reafirmacion Batllista -- MNR] decided to support the initiative of the Organization of Mothers and Relatives of Arrested-Missing Persons, which has the support of the leftist coalition Broad Front and the former Tupamaros guerrillas.

The MNR executive board reached a unanimous decision according to its leader, Deputy Victor Vaillant.

Vaillant was the only one of the 54 Colorado Party legislators to vote against the full stop law that was approved by Congress on 21 December.

A total of 500,000 signatures, a fourth of the Uruguayan electorate, are required to summon a referendum.

The law, known as the "impunity" law by the Uruguayan left, suspends trials against military officers and policemen charged with violating human rights during the military regime (1973-85).

During that period 32 Uruguayan citizens "disappeared" while thousands were victims of persecution and torture, according to the organization in charge of the defense of human rights.

According to political sources, other political sectors of the National or Blanco Party, the main opposition party, and the Civic Union will voice their opinions regarding the referendum beginning tomorrow.

The law was proposed by the Blanco Party aimed at "safeguarding institutionality," according to its leader Wilson Ferreira Aldunate, although some legislators of this party -- especially of the National Rocha Movement -- voted against it.

CANADIAN MINISTER HOLDS NEWS CONFERENCE ON MEETINGS

FL121320 Mexico City NOTIMEX in Spanish 1549 GMT 10 Jan 87

[Text] Mexico City, 10 Jan (NOTIMEX) -- Canadian Energy Minister Marcel Masse has stated that Canada is not ready to reduce its oil export ceiling, although it recognizes the need to stabilize the international oil market and set prices that will benefit producing countries more.

Speaking at a news conference held after a work meeting with Alfredo Del Mazo, Mexican secretary of energy, mines and parastate industry, Masse explained his country's position on the decisions adpted by OPEC to turn prices around.

He said that Canada's oil production represents only 1.5 percent of the 45 million barrels a day produced worldwide and therefore reducing its ceiling would not contribute much to the stabilizaton of the world oil market.

Spokesman for the Energy, Mines, and Parastate Industry Secretariat [SEMIP] distributed a communique at the news conference reporting on the two rounds of talks Del Mazo and Masse held here.

The document explains that the two officials acknowledged that the international oil market is experiencing favorable changes but these should be viewed with prudence and caution.

It also notes the need to establish a direct dialogue and exchange of views between Mexico and Canada, which are not OPEC members, and stresses that the two countries are interested in the lasting stability of the market.

Masse was asked about specific ways in which his country could help to find that stability but he could not give a precise answer and merely reiterated that Canada would not reduce its oil exports because of domestic policy considerations.

In this regard, the communique released by the SEMIP, asserts that the two officials exchanged views about their countries' oil policies and expressed respect for the independent position of each.

It stresses that the abrupt fall of prices and the general disarray of the market in 1986 have gone beyond oil matters and affected the economy, trade, and finances not only of the developing oil-producing nations but also of industrialized states.

The communique cites Canada as saying that it is ready to exchange expertise with Mexico on nuclear energy matters. In this connection, they agreed to have Mexican technicians visit Canadian plants and Canadian experts in turn will visit our country for the same purpose.

Concerning the possibility that the United States and Canada, along with Mexico and Venezuela, might set up a Latin American oil market, Minister Masse said that there were no such plans and that this was only a rumor.

SARH VIEWS EFFECT OF NEW U.S. CUSTOMS DUTIES

FL121552 Mexico City NOTIMEX in Spanish 1634 GMT 11 Jan 87

[Text] Mexico City, 11 Jan (NOTIMEX) -- The Secretariat of Agriculture and Hydraulic Resources (SARH) announced today that Mexico will seek to minimize the effects of the U.S. general preference system by expanding its commercial relations with Canada, Japan, and the EEC countries.

In an official communique, the SARH indicated that diversification of foreign trade and competitiveness in quality and prices are among Mexico's alternatives designed to reduce the effects of U.S. Customs duties.

The SARH described 1986 as an excellent year because the nation's agricultural-livestock exports rose, while agricultural imports decreased. It indicated that from January to October, exports amounted to $2.43 billion, $773 million more than in 1985.

For the first time in the past decade, Mexico last year had a positive agricultural-livestock commercial balance. A surplus of $862 million was recorded from January to October. It is estimated that this figure will go up by $200 million more when November and December are computed the SARH stressed.

It said that there are plans to import 5.5 or 6 million tons of foodstuffs in 1987, around 4.5 million tons less than in 1983. The reduction from 1985 was 36 percent with a saving of $675 million.

It explained that prior to the U.S. measures, the general preference system covered up to 50 percent of Mexico's import requirements, amounting to $69.3 million a year.

Faced with the new U.S. Customs duties, Mexican imports have gone down 25 percent, or to $25 million, the SARH explained.

The American duties will affect 34 agricultural products from Mexico which amounted to 25 percent of total U.S. imports. Among these is cabbage, which will have a 6.4 percent value-added tax.

The SARH added that also included are peas, 3 percent; vegetables, 17.5 percent; melons, 8.5 percent; and fruit, 4 percent. However, it stated, there are more than 20 agricultural products that benefit from the U.S. trade system to the tune of $52.6 million a year.

The adjustments in the U.S. general preference system might appear to have serious consequences for the agricultural-livestock sector and its export potential, but the impact is minimal, the SARH stressed.

Finally, the SARH predicted that the export rate will be maintained in 1987 through greater support for producers in terms of organization, technical assistance, and credit opportunities.

BRIEFS

1986 IMPORTS, EXPORTS -- The National Bank of Mexico has reported that in the last 3 months of 1986 imports of raw materials and other items dropped by 20 percent. In addition, non-oil exports increased by 54 percent during 1986. [Summary] [Mexico City UNOMASUNO in Spanish 7 Jan 87 p 13 PA]

EL SALVADOR

ATTORNEY GENERAL SAYS WAR TAX UNCONSTITUTIONAL

PA102324 San Salvador Canal Doce Television in Spanish 1900 GMT 9 Jan 87

[By Marco Antonio Guevara]

[Text] Attorney General Jose Francisco Guerrero has responded to the Supreme Court of Justice, stating that the tax for the defense of national sovereignty is unconstitutional because a war has not been declared in El Salvador, and therefore the special taxes are not justified.

[Begin Guerrero recording] We maintain that the sovereignty tax is unconstitutional because Articles 11 and 18 of the Constitution have been violated, and Article 131, Numeral 6 of the Constitution has been incorrectly interpreted.

[Guevara] [Words indistinct] those concepts specifically mentions those articles?

[Guerrero] Article 131, Numeral 6 refers to taxes, duties, and contributions in two situations, under normal and extraordinary circumstances. A normal situation is a public disaster situation or declared war. However, if we strictly follow the law, the concept of declared war refers to an international war -- despite all that has been said that the war going on here is not a declared war. [end recording]

Guerrero has been criticized because he has recommended not paying the national sovereignty taxes until the court issues a ruling. He stated that the Attorney General's Office is obliged to defend not only the interest of the state but also of society, as is established in the Constitution. He also added that the modifications to be made on these laws by the Christian Democrats show that the bills are still subject to discussion and can thus be opposed.

CHURCH OFFICE REPORTS 1986 CASUALTY FIGURES

PA301649 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 30 Dec 86

[Text] According to information received from the Archbishopric's Legal Assistance Office, during 1986 the armed conflict caused at least 1,725 casualties, which includes both deaths and injuries.

There were 1,031 casualties in insurgency and counterinsurgency attacks. 421 Army soldiers were killed and 59 people had legs or arms amputated because of mines. Death squads killed 42 people.

Reports were received from families who were forced to pay money to guerrillas due to kidnap threats to relatives, which according to Msgr Rivera y Damas, can be considered as another form of extortion of these families.

ARMY NOTES 43 REBEL CASUALTIES IN WEEK'S FIGHTING

PA121642 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 12 Jan 87

[Text] The Salvadoran Army has reported that it inflicted 43 casualties on the guerrillas as a result of clashes this past week.

The Press Office of the Armed Forces [Coprefa] has reported that the guerrillas suffered 35 dead, 5 wounded, and 3 deserters. It did not report on Army casualities.

According to Coprefa, three civilians died and another six were injured this past week as a result of mines placed by guerrillas.

At the beginning of January, the FMLN initiated the Heroic January, Farabundo Is Alive campaign, the objective of which is to protest forced recruiting by the Army and the government's recent economic measures.

The new military campaign includes a land transportation stoppage throughout the country, an increase in military activities, and the destruction of economic infrastrucuture, especially power lines and the harvesting of coffee and sugercane. The Army has reported that the guerrillas have destroyed three privately owned vehicles.

ROSA CHAVEZ REBUKES DEPUTIES ON STRIKE

PA111951 San Salvador La Voz Panamericana in Spanish 1422 GMT 11 Jan 87

[Homily by San Salvador Auxiliary Bishop Gregorio Rosa Chavez at San Salvador's Metropolitan Cathedral -- live]

[Excerpts] [Passage omitted] You know that according to the doctrines of the church, the problem of ideologies is that they easily want to occupy God's place, thus becoming idols. We can see this in the positions that some political, labor, and private and government institution leaders adopt.

Could there be some of this in the bitter discussions over the lastest economic measures? When I learned about the so-called parliamentary strike by a group of deputies, I thought about two things: First, that it was paradoxical to see parliamentary people, that is, people who carry out their struggles with words, turned into mere spectators; and second, and perhaps more interesting, that silence could be a golden occasion for our representatives -- since deputies, poorly or properly, represent the people -- to learn how to listen and to make the interests of the nation their own. If they did so, then they would be able to rightly say they speak on behalf of the people. This implies that their work will be aimed at building a fatherland for everyone in El Salvador. Is this what we have? It does not look that way.

According to the information we have, the pain of the families is not being considered, especially the pain of the most humble and defenseless, the pain of families destroyed by the war and its consequences, especially by one made very evident this week: that war devours lives, especially the young, the young who no longer volunteeer but who are now being forced to fight without knowing why. By now you know that I am referring to the forced recruitment issue. This is being carrieed out only by the Army but also by the guerrillas.

I discussed this subject about this same time 2 years ago. I was very strongly criticized by powerful sectors, but now after reading what I said then I wonder, where is the heresy?

On that occasion, I began by quoting a statement by the pope about the stupidity of war, and then I made the following observation: This is clearly understood by the poorest people of El Salvador because their children, most of whom are peasants, have to carry the burden of the war. I am sure that well-to-do people who defend the military way with so much ardor would think differently if it were their sons -- who now dedicate themselves to study, work, or simply wasting their money frivolously -- who had to go to the battlefields to fight. This would be the case if the obligatory military service were to be practiced in El Salvador the way it is practiced in all the developed nations. This is what I said 2 years ago.

Msgr Rivera had the same idea because, according to journalists, he said he was in favor of the obligatory military service.

Since the church is of the opinion that war is useless, we are in favor of our leaders jointly taking peace roads, but not peace roads resulting from the strength of weapons and terror, but peace based on the tactical fact that all Salvadorans are brothers.

As long as this war goes on, we will struggle to make it less cruel. We have expended much energy this past year trying to secure the release of Colonel Avalos, something that apparently now is more possible than ever, judging from the results of the latest contacts between the two parties. [passage omitted]

Views Talks on Avalos

PA130142 San Salvador Television Educativa in Spanish 1200 GMT 12 Jan 87

[Text] After his homily on Sunday, Msgr Gregorio Rosa Chavez said at a news conference that a list of the demands made by the FMLN-FDR to grant the release of Colonel Omar Napoleon Avalos has already been delivered to the general staff of the Salvadoran Armed Forces.

[Begin recording] [Rosa] We have discussed the list with the leaders of the fronts. We worked hard on that list, and yesterday afternoon we delivered a new document, a summary of this meeting, to the Army staff. We are leaving for Honduras with Msgr Arturo Rivera y Damas this afternoon to participate in a working meeting. During our absence we think that negotiations will continue toward obtaining a positive result.

[Unidentified reporter] Will members of the FMLN-FDR attend this meeting in Honduras?

[Rosa] This meeting is only for bishops. It was planned earlier and has nothing to do with the topic we are discussing here.

[Reporter] When could Col Avalos be released?

[Rosa] Usually this type of event takes place in the presence of someone belonging to the church. I would guess that Col Avalos' release will not take place before we return from Honduras. This is as much as we can say regarding the date of his release.

[Reporter] The Army general staff continues saying that it will release 51 prisoners, but the FMLN-FDR is requesting a larger number. Has there been any agreement on this?

[Rosa] The list of the general staff... [changes thought] that list consists of over 56 people. The fronts know that this topics being discussed now.

[Reporter] However, a list released by Coprefa in Mariona and Ilopango contains about 80 people. Therefore, it appears there is no agreement.

[Rosa] No, there are two levels of communication. Ours is the formal, official level and this is the one which will lead us to concrete results. The other level has its own laws. [end recording]

Regarding the transportation stoppage organized by the FMLN-FDR, Msgr Rosa Chavez said that coercive actions cannot be accepted by the church.

[Begin recording] [Rosa] Our positions remain unchanged. We cannot accept anything that represents coercion against the people. We have to learn to respect peoples' freedom at all levels and we are still far from that in this country. We think that a war that believes in coercion discredits itself.

[Reporter] Do you think there is a war somewhere that does not entail coercion of the people, Msgr?

[Rosa] We know that war can become more human, we have proved that. You cannot compare the war in Lebanon with the one in our country. There are great differences. [end recording]

VENCEREMOS SAYS TRANSPORT STOPPAGE TO CONTINUE

PA111329 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 11 Jan 87

[Text] The national transportation halt throughout the territory continues. The transportation halt will be maintained until further notice. We are giving this information to national and international transport people.

Regarding this halt, there is a report from Santa Ana, where it is affecting the transportation of fuel, cement, and other raw materials between Santa Ana and Metapan. The report says: On 9 January, a guerrilla unit from the January Heroes Column set up a barricade on the Santa Ana-Metapan Road, at the [name indistinct] bridge [words indistinct] Santa Ana municipality.

We have also been informed that today, 10 January, new guerrilla units blew up electrical towers with transformers on the Coastal Highway, in the area between La Pradera and Barrio Nuevo, Tecoluca municipality, San Vicente Department.

A report from the eastern region notes that guerrillas recently incorporated into the FMLN have carried out a large operation in the four eastern departments of El Salvador. The operation consisted of destroying light poles and power towers. As a result, some 90 towns are without electricity. This has been a successful operation carried out by our new sappers, new guerrillas and militiamen who have recently joined this legion of guerrillas and organized people.

FDR'S UNGO ASSESSES POLITICAL SITUATION

PA130052 Mexico City EXCELSIOR in Spanish 11 Jan 87 pp 1a, 16a

[Report by Luis A. Albarran]

[Text] According to FDR leader Guillermo Manuel Ungo, there is no evidence of a political opening in El Salvador, and (President) Duarte is not the only person with whom talks can be held; therefore, neither his continuing in power now his eventual fall or replacement will end the pos ibilities for dialogue.

El Salvador is currently experiencing the deterioration of the U.S.-prepared counterinsurgency plan as well as a feud "between rightists and ultrarightists," Ungo stressed.

Ungo, who is one of the top guerrilla leaders in El Salvador, was asked about the possibility that a group of soldiers may decide to take over the government again, based on the demands made to that effect by ultrarightist groups.

In the past few hours the National Union of Salvadoran Workers (UNTS), the main labor organization opposed to the government, has joined other sectors demanding that President Jose Napoleon Duarte be removed, he said.

The FDR leader made a statement to the media at the conclusion of a short stay in Mexico, where he participated in closed-door negotiations. Ungo criticized others and himself, reiterated hopes, and discussed accomplishments. At the end of his statement, he predicted: "This year, the political presence of the FDR in the country will be stronger." Moreover, when asked: "When are you going there," he quickly replied: "this year."

The peace talks between the FDR and FMLN guerrillas and the Salvadoran Government have been stagnant since 1985. In September 1986, an attempt to meet in Sesori in the country's eastern region failed again.

According to Ungo, Duarte's government "is not Christian, because it has sent many Christians to heaven. It is not democratic and does not seek dialogue."

"We have an overall political military strategy for the future. We must bear in mind the experience of Latin America and other countries, where the alternatives for the fulfillment of the people's wishes were not initiated by politics. Our political presence (the FDR's) in the country is minimal and limited. It is our weak point, but it is also the government's weak point."

Briefly summarizing his statement, Ungo stressed what he considered an important step by the FDR during the past few months: the reaffirmation of the FDR-FMLN alliance, which, among other things, made it possible to "define the areas of autonomy" between the two organizations and to have "a stronger and more functional" alliance.

The problem with the current situation, he said, is that there is no alternative to replace the counterinsurgency plan imposed by the U.S. Government on El Salvador, and none of the people mentioned as possible alternatives can resolve that contradiction.

"For us, there was never a viable Christian Democratic project," Ungo said, adding that Duarte's weakening cannot be schematically interpreted based on whether it is favorable for the popular and revolutionary forces.

"For the FDR, the political opposition formed by the National Revolutionary Movement, the Popular Social Christian Movement, and other civil organizations require a real political opening in the country, which is taking place even in Guatemala."

According to Ungo, there is no "third alternative," as some sectors contend: There is a duality of powers and the two factors must be considered by those who want to participate and express their opinion in favor of a negotiated political solution for the Salvadoran war.

GUATEMALA

CEREZO SAYS COUNTRY TO MAINTAIN NEUTRALITY

PA121935 Guatemala City Radio Nuevo Mundo Network in Spanish 1200 GMT 12 Jan 87

[Text] As scheduled, President Marco Vinicio Cerezo Arevalo returned to the country yesterday afternoon after being out of the country for 1 week. He was met by all his ministers, high-ranking military chiefs, and other government officials. The president looked very happy, and when he was asked how he felt upon returning, he replied: You can see how happy I am.

Immediately after being greeted by the officials in the airport, President Cerezo said that there will definitely be no support for the contras and that Guatemala will maintain its current neutrality. He also said that if necessary, an investigation will be undertaken regarding reports about the country's participation in the supply of weapons.

Referring to a report that there will be mass dismissals, President Cerezo said that no Christian Democratic leader is authorized to make such an announcement.

In short, upon his return, the president will face the problems that emerged while he was on his trip to the United States.

VILLAGRAN REAFFIRMS SUPPORT FOR CONTADORA

PA122000 Guatemala City PRENSA LIBRE in Spanish 10 Jan 87 p 2

[Text] Deputy Foreign Minister Francisco Villagran de Leon has said that Guatemala is weighing the possibility of not participating in a meeting that was called by Costa Rica, which will be held in El Salvador on 16 January without the participation of Nicaragua.

The official reiterated the government's support for the Contadora Group and added that "Guatemala is not cosponsoring the Costa Rican motion that seeks to find a negotiated solution to the problem with Nicaragua."

According to news dispatches, the Costa Rican proposal has U.S. support and efforts are being made to implement it prior to the arrival in Central America of the Contadora and Support Groups, which will be joined by OAS Secretary General Joao Baena Soares and UN Secretary General Javier Perez Cuellar.

Villagran said that he does not have detailed knowledge of the Costa Rican proposal but that Guatemala "believes that any solution must come from within the Contador Group, which has made diverse efforts to prevent an armed confrontation in the region."

Our country, he stressed, has not confirmed its participation because "we are going to consider the invitation when Foreign Minister Mario Quinonez Amezquita returns from Venezuela on Monday."

Guatemala, he added, will continue supporting the Contadora efforts. We believe that all discussions must take place within Contadora because the group has the support of the international community.

He stressed that it is false that Guatemala is supporting or cosponsoring the Costa Rican proposal.

He said that the Guatemalan decision will be announced to the public next week after the proposal is analyzed by the Foreign Ministry.

URNG BEGINS PUBLISHING PERIODICAL IN MEXICO

PA111337 Guatemala City Radio-Television Guatemala in Spanish 0400 GMT 10 Dec 86

[Text] URNG has initiated the publication of a periodical published in Mexico that constitutes its official organ of information. URNG describes this paper as its international bulletin. It is a 20-page tabloid illustrated with black-and-white pictures.

One of the paper's articles analyzes President Cerezo's tour through Europe in September and October. The article's first paragraph reads:

The Urge to Set Out on His Trip. Despite many criticisms against and opposition to his trip through the United States and Europe, President Cerezo began his tour. It seems that if anyone is aware of his political project's limitations regarding the expectations created on an international level, it is the Guatemalan president himself. That is why it was necessary for him to undertake this trip now and not later, when the time elapsed would have permitted all to see more clearly as fait accompli what is now only an intention: the limitations of the political project and the successive concessions he has gradually been making to the interventionist strategy in Central America of the Reagan administration.

The paper also includes an open letter that URNG addressed to Cerezo, dated 25 October. The letter proposes a dialogue between the government and the guerrillas, invoking a supposed receptiveness expressed by Cerezo in Spain during his European tour. The possibility of the dialogue, which would be held through the mediation of the Spanish and Mexican Embassies according to the URNG's proposal, would be suspended if the government were to set as a requisite condition that the guerrillas lay down their arms.

AZCONA REJECTS PRESSURES TO CHANGE CABINET

PA311510 Tegucigalpa Cadena Audio Video in Spanish 1130 GMT 31 Dec 86

[Press communique issued by the Press Secretariat of the Honduran presidency in Tegucigalpa on 30 December; read by presidential spokesman Marco Tulio Romero]

[Text] In view of the insistence of some news media -- especially the newspaper LA TRIBUNA and its editorialist, Mr Carlos Flores Facusse -- about the need to make cabinet changes, we clarify the following to the Honduran people:

1. The tendentious campaign against the members of the government cabinet only demonstrates the systematic and biased desires of some sectarian political leaders, who are trying to impose their personal interests above our country's general interests.

2. President Jose Azcona is evaluating the conduct and work of the ministers, and if any changes are needed, he will proceed to make them, but to the benefit of Honduras and not in response to the arguments of the perennial critics and to the political interests of individuals.

3. We express with full firmness that the president of the Republic will not fall into such traps, which are the product of the machinations of the promoters of such a campaign. They are the same ones who recently did nothing in benefit of the people.

4. Our president reiterates that he will not make cabinet changes unless he deems them advisable for the country's interests.

Tegucigalpa, 30 December 1986

[Signed] Press Secretariat of the presidency of the Republic

AZCONA ON POLITICAL PARTIES, OUTLOOK FOR PEACE

PA090406 Tegucigalpa Voz de Honduras Network in Spanish 1855 GMT 8 Jan 87

[News conference by President Jose Azcona Hoyo in the Pink Room of the Presidential Palace -- live]

[Excerpts] [Press Secretary Lisandro Quezada] Your attention, reporters, your attention please. The news conference that President Jose Azcona has graciously granted you will now begin. He will address issues that we discussed in my office this morning. We will follow the same format as during the news conference with Mrs Azcona, that is, one question per reporter, please.

[Izaguirre] Danilo Izaguirre of LA PRENSA. Thank you, compañero. Mr President, presently one of the important topics in our country is the famous National Unity Pact, PUN. We would like to hear your viewpoint. Specifically, what is the possibility that the president of the Republic will assume the leadership of his party to prevent premature candidacies? We want to let the people know what are the plans and the objectives of your government.

[Azcona] The government of the Republic, which I am honored to head, is a government that practices democracy. We have said once and again that the aspirations of any citizen to reach the presidency cannot be hindered under any circumstances. It is the Honduran people who must take the measures and actions that the deem necessary in the case of aspiring candidates if they consider that such candidacies are premature.

The president of the Republic can do absolutely nothing to curtail the right that citizens of my party and any other party have to work and carry out the actions they deem necessary to reach the presidency of the republic. That is clear. As for the PUN, which has generated so much discussion, I believe that after so many years of preaching unity within the Honduran family in Honduras when, as a result of very special circumstances the two large parties -- and when I talk about my party, I am referring to the majority tendency of that party that brought me to the presidency of the Republic as well as the National Party, through the vast majority of that party, which is the tendency headed by Rafael Leonardo Callehas. When tow large parties reach an agreement to start a new government I do not understand how people can criticize such actions. This is especially true since the actions were taken to benefit the Honduran people and for the sake of social peace, which Honduras needed and still needs so much.

After a very special campaign, the large parties of Honduras, the Liberal and National Parties, presented four and three pre-candidates respectively for the 24 November 1985 elections. This was the product of division that had been promoted within the parties; from the attempt to use power to prevent members of political parties to elect their candidates and later elect the deputies of municipal organizations, and the president of the Republic. As a result of attempts to curtail those rights, a crisis emerged. This crisis was overcome by an agreement signed at the Honduran Air Force headquarters by the leaders of all the parties.

The election resulted from that crisis. In the National Congress, there are 67 Liberal deputies from three factions, 63 Nationalist deputies, 2 PINU [Innovation and Unity Party], and 2 Christian Democratic Party deputies. At that moment, the party that won the elections did not hold a majority in the National Congress. Besides not having a majority in the National Congress, it has 18 deputies resulting from what was called the Officialist Group that does not agree in any way with the candidate selected by the Liberal Party. That candidate was President Azcona, yours truly. The Officialist Group did not agree with the other group of deputies, either.

(?It is being said) now that the president of the Republic and his group rejected an rapprochement with the Officialist Group. I want you to know that this is recent history. As soon as we won the elections, we were the target of even more abuses than before the campaign. The first abuse was that the money due us for the campaign was withheld; 1.6 million lempiras were withheld from the candidate elected by the Liberal Party. The treasury minister refused to hand me the check. That was a flagrant violation of the Electoral Law. We were told that we will be paid little by little.

It is being said publicly, at least by the Executive Central Council, that Jose Azcona won the presidency of the Republic but that he did not win any [word indistinct]; that I would have no political power.

It is being said that I would not even be a convention delegate for my party in the elections. That is, they continue to believe that absolutely nothing happened in our country on 24 November. Therefore, the pact, which I would call a political agreement, was necessary and indispensable to start a new government. That is why we agreed with it.

It is now said that the pact granted power to the National Party as in the Supreme Court of Justice. The Liberal Party could run the risk of losing two branches, not just one. There was a tie in the National Congress vote. Even with the vote of the 18 Liberal deputies there would have been a tie that would have needed a coin toss. If the opposition had won, they would have had the 67 votes plus the vote of the new president and they would have taken [puesto] the Supreme Court if they had deemed that appropriate with a majority vote, thanks to the vote of the president.

On the other hand, there was criticism of the formation of the previous government when the Liberal Party won by absolute majority. The two small parties came up with the idea that power corrupts and absolute power corrupts absolutely. To a certain extend, I believe that in a pure republic that could be true. That is why we are now ensuring that the executive branch does not meddle in any area of the judicial branch. In the long run, this will benefit the practice and enforcement of law in our country.

I believe that we must look at the benefits and not only the adverse aspects of that political agreement. I believe that it has been beneficial so far. It has been said that we have shared the government. The two Nationalist Ministers within the Liberal government were appointed by the president of the Republic and are not the result of any pact. They were appointed because we believed that in keeping with an article of the Constitution of the Republic that specifies and orders that integrated governments must be established, we should grant two ministries to the National Party. We granted them to militants of that party who were chosen exclusively by the president of the Republic. That is what I can tell you about so much [word indistinct]; there is talk about treason.

I believe that traitors of the Liberal Party were those who did nothing to help the Liberal Party out during troubled times. They are the real traitors to the Liberal Party; not those who have always been in the frontline fighting to bring the Liberal Party to power as we in fact achieved in three consecutive successful elections.

[Reporter] [Words indistinct] the real benefit that the Honduran democracy could bring is actually in question when there is a confrontation. Callejas himself said that the PUN is no longer functional. He said that for him it is practically broken. National Congress President Carlos Montoya said they signed the pact only because there could have been a coup d'etat by the National Party and a group from the Armed Forces.

[Azcona] I will tell you that political agreements always respond to situations that could emerge, difficult situations. I already told you there was a very difficult situation surrounding the establishment of the new government. That situation was very, very difficult because there was no control over the National Congress. As a result of this lack of control, an agreement was needed. That agreement was not an obligation. The president of the Republic was not forced to reach that agreement.

In the pact, you can read the Social Security Institute goes to the National Party and the president of that institute is my friend Dr Gonzalo Rodrigo Soto, a long-time militant of the Liberal Party. This shows you that this was not such a rigid agreement.

We did make an agreement as to the membership of the National Congress. There have always been agreements to establish the directorates of the National Congress. This is nothing new. There have always been agreements and there will continue to be. This is a fact. Things must be agreed in advance. That is why we made that agreement. I do not think there is anything unpatriotic or antidemocratic in an agreement between the two largest political forces in Honduras. The Honduran people have clamored for such agreements for many years, I would say for centuries. I hope harmony continues to prevail among leaders of political parties to prevent bloodshed or similar things in this country.

I reject any statement claiming that this political agreement is antipatriotic and antidemocratic. I believe that it is just the opposite. It is an agreement among democratic men who believed that the agreement was the most advisable move for Honduras. So far, the move turned out to be a very good one. [passage omitted]

[Quezada] A REUTER reporter has a question.

[Reporter] [Words indistinct] Nicaraguan revolutionaries during December; I would like to know whether you know anything about this report. Also, is it true, as this committee, claims that the Nicaraguans are causing security problems in Honduras? I am specifically talking about the contras.

[Azcona] [Words indistinct] we received a report from a person and an investigative commission that there had been abuses involving the murder of one person. As for whether they are committing abuses, we do not have much information. I do not think that those reports are true. There could be a few abuses, because wherever there are armed people there can always be abuses, but not in the way reported. We must take into consideration who is reporting those abuses and why.

[Quezada] Nunez of Radio Tegucigalpa has a question.

[Nunez] Mr President, a few moments ago a trade mission of the Nicaraguan Government headed by Ambassador Danilo Abud Vivas arrived in Honduras. Abud said that the Nicaraguan Government is willing to withdraw its suit against Honduras at The Hague if Honduras withdraws the contras from our territory. What is your position on this?

[Azona] Look, we do not qualify any situation. The Nicaraguan Government, exercising its right, will defend itself in The Hague. Honduras, exercising our right, will defense ourselves in The Hague. We are not involved in any bilateral agreement with Nicaragua other than our bilateral agreements in trade aspects. We also maintain diplomatic relations. Neither the Nicaraguan nor any other government will place conditions on Honduras.

[Quezada] [Name indistinct] of LA TRIBUNA will ask a question.

[Reporter] [Words indistinct] Sandinists who entered our territory and that this would help the approval of the $100 million for the contras in the U.S. Congress. What is your opinion?

[Azcona] [Words indistinct] said that. I believe there have been reports on this. That was clearly explained to the people and the entire world. When the EPS invasion occurred there was no talk about $20 million.

There was talk, and we indeed asked the U.S. Government for aid to transport Honduran troops via air. We asked for any other aid that could be given. The letter states that, I repeat, any aid that could be given.

When General Galvin, who suspended his Thanksgiving vacation, came here, we met with him in [words indistinct]. He contacted Washington. The aid was offered to us verbally. They told us that a letter from the president of the Republic addressed to President Reagan was needed. We drafted a letter and sent it via telex. That letter precisely requested aid to transport our troops via air and any other aid we might need.

The subject of the $20 million apparently came up, because the U.S. President can use aid packages in case of military emergencies. He placed a $20 million package at the disposition of Honduras. With that $20 million, we cut down the cost of the operation to transport our soldiers to the border area.

Therefore, there was no [changes thought] the request came from Honduras, first verbally, and then the request was complemented by a letter that was sent to President Reagan.

[Quezada] Reporter Juan Ramon Duran of IPS.

[Duran] [Question indistinct]

[Azcona] [Words indistinct] we must not lose hope. We continue to think that the Contadora and Support Groups can still be somewhat effective. However, they will be effective to the extent that they assume a position that is more that of arbiters than of friendly conciliators as they have been thus far.

If they could pressure Nicaragua to comply with commitments made at the OAS in 1979, then it is possible that those groups could be successful. If those groups continue a lukewarm position, continue to be only friendly conciliators and continue to believe that the United States is the only side that should yield, I think that the Contadora Group would not be very successful. However, we will not withdraw from negotiations. If that group comes to Honduras, we will welcome it, and we will present our arguments. Our arguments do not vary much from those of Costa Rican President Arias. [passage omitted]

[Quezada] Roy Arthur of LA PRENSA.

[Arthur] Mr President, through the Foreign Ministry, you replied to the proposal made in December by Commander Daniel Ortega Saavedra, president of Nicaragua. According to your reply, what in your opinion is the future of relations with that brother country?

[Azcona] I believe that as long as there is no political opening in Nicaragua, there will be problems in Central America. There will be problems in Central America because we cannot remain separated from the effects caused by it. We cannot remain separated because as long as there is no democratic opening, there will be counterrevolutionaries, people in exile, and refugees. All this has negative repercussions on us. I insist that the solution to the Central American problem goes through Managua, not through Honduras, Tegucigalpa.

We in Tegucigalpa are victims of that problem and not the cause of the problem. The interesting thing to see is how they play with the disinformation. They want to portray us as if [words indistinct] are not a democratic country. We are a country with no political prisoners or political refugees anywhere in the world. Where democracy is practiced; the newspapers write what they want -- sometimes the truth, sometimes not -- and nothing happens here. Neither journalists nor the opposition are harassed here, and we have no political prisoners or people in exile because of political reasons, nor are our citizens political refugees abroad. Thus, this is our best banner, regardless of what they say.

Why do counterrevolutionaries exist? There are counterrevolutionaries because the Nicaraguan regime has not provided a political opening for them. Why are there refugees? Because there is no peace in any country that has refugees abroad. Why are there people in exile for political reasons? Because there is no freedom [words indistinct].

Therefore, regardless of what they say, Honduras has a flag that can be raised very high because it is one of the few nations in the world where there are no political prisoners or citizens in exile. We have no Hondurans who have been forced to become refugees abroad; and there is full freedom of press, religion, and freedom to form organizations. People are not forced to join any organization, which is an important freedom. No one here can be forced to belong to any group he does not want to join, which does occur in Nicaragua in the base committees.

Therefore, this is my [words indistinct].

[Unidentified reporter] Mr President, you said that the situation goes through Managua rather than Tegucigalpa. Would it not be through Washington?

[Azcona] I would say that first it goes through Managua. If the internal political situation were to be resolved in Nicaragua, there would be no problem in Central America, and obviously the Salvadoran problem and all that. [as heard] It would indeed help to a great extent to bring peace in Central America. [passage omitted]

[Quezada] Radio America reporter Alan Montenegro has a question.

[Montenegro] Mr President, going back to the Central American subject, there is much concern about the remarks made by the National Congress president, who said that there is not yet a negotiated peace with Nicaragua. Why do you think he made those remarks?

[Azcona] We are not at war with Nicaragua either. The peace agreements, or whatever they are called, are agreed upon after a war or an armistice. We have never been engaged in a war with Nicaragua, we have diplomatic and trade relations with them. What happens is -- I repeat -- that we are suffering the effects of a problem generated by the lack of democracy in Nicaragua. However, we are not, nor will we declare a war against Nicaragua and have no reason to sign nonaggression pacts or something like that. This is understood.

[Congress President] Montoya is concerned -- as we should all be -- about the situation in Nicaragua. He is the president of the board of directors of one of the state bodies and thus has this concern, has expressed it, and has the right to manifest it.

He is not the only one concerned. I would be lying to you if I said that I am not also concerned about the Nicaraguan situation. I am concerned. However, I believe that there will never be an open war between Nicaragua and Honduras, first because Honduras will not attack Nicaragua, and second because Honduras will not get involved in an invasion by troops from any superpower from its territory into Nicaragua. We will not get involved in that. Finally, and most importantly, I believe Nicaragua will not make the mistake of starting an open war with Honduras even though they are militarily superior to us -- they have an armed force 10 times larger than ours and allocate millions more to maintain that military apparatus. Nevertheless, I believe that they will not dare to do it because we have an arrangement, an agreement, with the United States, and I believe that they would support us in case of an aggression by Nicaragua. Moreover, the Honduran people would strongly respond to this kind of aggression. [passage omitted]

[Quezada] Mrs Ortega of the Voice of America has a question.

[Ortega] New Honduran - U.S. joint military exercises will begin soon. What is your view on these exercises? Do they benefit Honduras?

[Azcona] They do. They prepare our troops. I do not understand why some insist on accusing Honduras of having several armies, and the like. There are U.S. troops in Germany, many more than in Honduras. And the Germans do not want them to leave. The 6th Fleet in the Mediterranean is based in Piraeus, Greece. And no one there is asking the 6th Fleet to leave. Part of the 6th Fleet anchors in Spanish waters, in Benidorm, and Naples. And no one says a word. I do not understand why there is so much attention being paid in Honduras to the fact that military maneuvers are held here and that there are U.S. military technicians here.

It is an affront to Honduras that people question this. It is the sovereign right of Spain and Greece -- both of which have socialist presidents -- Germany, and other countries to do that. No one can question us about holding joint military maneuvers in Honduras, so long as those maneuvers respect Honduran sovereignty and national pride. We reject any accusation in that sense. We consider it an affront and an intervention in Honduras' domestic affairs. We reject this because of the hypocrisy shown by many European governments, who allow it within their governments [as heard] and then allow that Honduras be criticized when it does so. [passage omitted]

[Quezada] With two questions remaining, the following question will be asked by Jose Domingo Flores.

[Flores] [Words indistinct] the delegations that are coming from the OAS, United Nations, and the foreign ministers of the Contadora and Support Groups. They are reportedly coming to seek approval for the establishment of a military force at the Honduran-Nicaraguan border to watch over the border and prevent military clashes between the two countries. Will Honduras accept this? Second, how much truth is there in the reports on a secret dialogue between the Nicaraguan president and yourself for the bilateral solution of [words indistinct].

[Azcona] The secretaries general of the OAS and the United Nations and the foreign ministers of the Contadora and Support Groups will be welcomed here with open arms and all the courtesy with which Honduras customarily receives visitors.

We will listen to them closely and respectfully. However, we will act according to our national interests. I am not in a position to say whether they will bring a proposal, and I do not want to anticipate things. Let us wait for their arrival. They will be received duly as representatives of friendly and sister Latin American countries. However, we will decide what is good for Honduran interests.

On the secret agreement with President Ortega, I must say that there is no such agreement. The Honduran people have learned about the content of our telephone conversations when we had them. They -- the Nicaraguan Government -- printed the letter that he sent me and we printed the letter that I sent to President Ortega. There is no secret dialogue. However, with this I am not trying to say that on a personal basis there is any sort of antagonism or that our relations are tense. No, that is... [changes thought] We are defending Honduras' national interests.

[Quezada] The last question will go to Armando Villanueva of Radio Tegucigalpa.

[Villanueva] [Question indistinct]

[Azcona] [Words indistinct] We have spoken about. I am currently referring to [words indistinct] Senator Dodd, who, I believe, is the U.S. Senate majority leader, [as heard] from the Democratic Party. He can introduce the bill or make the decisions that they consider most adequate. That has absolutely nothing to do with us. If they do not give aid to the contras, that is no concern of ours. If they do not give them aid, well, the contras will see what they do. And yes, we are happy about the $300 million, about him introducing that in the Senate. If he gets support we will get part of that $300 million, which would be more than welcome here.

[Unidentified reporter] [Question indistinct]

[Voz de Honduras announced] The question is about the contras.

[Azcona] We have spoken with the U.S. Government about the need for these people to get out of Honduras. We are certain that they will help us resolve the problem. Moreover, if Senator [name indistinct] adopts that measure he will have to see how he helps us.

NICARAGUAN ENVOY ON TERMS OF ICS SUIT WITHDRAWAL

PA092117 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 9 Jan 87

[Text] Danilo Abud Vivas, the Nicaraguan ambassador in Honduras, has said that there is a diplomatic vacuum between Honduras and Nicaragua that may prove dangerous. The Sandinist government is willing to withdraw its lawsuit against Honduras from the International Court of Justice at The Hague [ICJ] if the elements that have caused the border crisis are removed. The Nicaraguan ambassador in this capital has said that the peace initiatives are beginning to leave the scene, thereby creating a diplomatic vacuum and the only remaining solution would be the use of force.

[Begin Abud Vivas recording] The dangerous thing about making everything conditional on the withdrawal of the lawsuit is that we are diminishing the possibilities of solving the conflicts.

We are practically freezing all peace initiatives in the area. That is dangerous because it is creating a diplomatic vacuum, and when diplomatic vacuums are created, the only remaining solution is the use of force. We are sure that no one wants the use of force as a solution. [end recording]

Nicaragua needs better trade relations with neighboring countries, Abud Vivas said.

[Begin Abud Vivas recording] Regarding the economic order, we believe that this commercial mission, which has come with the intention of promoting Nicaragua exports to Honduras in an effort to create the necessary conditions to activate trade, will prove that trading is possible in Central America, that political differences can be overcome and that if they cannot be overcome they should not rupture the fraternal relations in a region that has traditionally been united. Despite political and border differences, there have never been any trading or immigration restrictions among the countries. Unfortunately, in Central America we have many immigration restrictions.

We believe this commercial mission is a small effort toward Central American integration efforts. [end recording]

Nicaragua sets conditions for the withdrawal of the lawsuit against Honduras at the ICJ:

[Begin recording] [Abud Vivas] We are willing to withdraw the lawsuit if the elements that have caused the border crisis are removed. The elements include the complicity of the Honduran Government in U.S. aggressive policies against Nicaragua and the presence of contras in Honduran territory, who are being moved from El Paraiso to Olancho. They are being hidden from the public. They are there. There are some 4,000 contras in Honduran territory right now.

[Unidentified reporter] Who is hiding them? Is it the Honduran Government?

[Abud Vivas] I do not know. I do not know who gives the orders in Honduras.

[Reporter] What do you mean you do not know who gives the orders in Honduras?

[Abud Vivas] You ask me if it is the Honduran Government?

[Reporter] You said they were hiding them [the contras] and that they are being sent from El Paraiso to Olancho. I ask you, who is hiding them?

[Abud Vivas] I will answer you with a question. Who supervises the counterrevolution?

U.S.-HONDURAN MILITARY EXERCISES ENTER NEW PHASE

PA111205 Havana International Service in Spanish 1600 GMT 10 Jan 87

[Text] Another phase of the joint U.S.-Honduran military exercises named "Big Pine 87," which started in December, will begin on Saturday when 700 U.S. paratroopers are dropped near the Nicaraguan border. The paratroopers will be dropped on the Jamastran airstrip, located in El Paraiso Department in eastern Honduras, only 20 km from Nicaragua.

The battleship Iowa, equipped with medium-range rockets, the cruiser Yorktown, and the destroyer Deyu are sailing toward the Honduran coast to participate in this display of strength which will end in March.

At the same time on Saturday, the basic phase [fase concreta] of the "Terencio Sierra 87" exercises will start in northern Honduras. Approximately 5,000 Honduran civil guards will participate in these exercises, together with U.S. troops from Ohio.

Report Reproves 'Big Pine 87'

PA130324 Havana International Service in Spanish 0000 GMT 13 Jan 87

[Report by Amalia Sanmartino]

[Text] The "Big Pine 87" military maneuvers conducted jointly by U.S. and Honduran forces began this weekend approximately 15 km from the Nicaraguan border. In the first phase of the exercise, carried out on the military airstrip in the Jamastran Valley in the Honduran Department of El Paraiso, close to 700 military engineers made parachute jumps, which as part of a mock airborne attack secured the area to receive heavy machinery and equipment for road contruction.

According to reports, the construction of new stretches of highway and the repair of airstrips are the main objectives of this military maneuver, during which Honduran and U.S. specialists will also conduct other tasks labeled as military civic action.

(Arthur Scop), spokesman for the U.S. Embassy in Tegucigalpa, said that the maneuvers will train the Honduran Armed Forces and show the power and capacity of the United States, which attributes great importance to Nicaragua's aggressive policy and the threat this country poses to Central American peace. The remarks by the U.S. spokesman in Tegucigalpa are ridiculous because everyone knows which country is being attacked and threatened. To reverse the roles and attempt to make the world believe that Nicaragua is a threat to Central American peace is as ridiculous as to continue saying that the military exercises are to train the Honduran Armed Forces, when the true U.S. aggressive, interventionist intention behind the drills is common knowledge.

The fact of the matter is that the 1,100 U.S. troops and their Honduran colleagues taking part in the "Big Pine 87" maneuvers continue to augment the warlike climate in Central America and promote a direct invasion of Nicaragua, an irresponsible policy that has the support of the Honduran Government.

U.S. TRADE POLICY BRANDED THIRD WORLD 'OBSTACLE'

PA120359 Havana International Service in Spanish 2300 GMT 11 Jan 87

["Our America" commentary]

[Text] For underdeveloped countries, 1987 begins with an uncertain economic future because of the U.S. protectionist offensive, which imposed 5 to 7 percent tariffs on the 290 imported products that used to benefit from its general preferential system. Countries like Mexico, Brazil, Colombia, and other Third World nations will suffer a $3.2 billion reduction in their revenues.

These new protectionist barriers are added to the 41 percent reduction of U.S. sugar purchases and the tax on imported oil. All thee measures are an obstacle for the economic development of underdeveloped nations.

To justify its decision, Washington argues that many of the products affected by this measure have become competitive and need no preference. This argument, however, implies the danger of a new and greater protectionist wave if we take into account that the White House can declare as competitive -- at its own will -- products from those nations that do not obey its rules.

Therefore, it is not by accident at all that Brazil is one of the most affected by these new barriers. It is necessary to remember the repeated negatives by Jose Sarney's government to the increasing U.S. pressure to modify the Brazilian law dealing wih the computer industry, which closes the national mini- and microcomputer market to foreign transnationals for 8 years.

The fact that socialist nations like Romania and Yugoslavia have been eliminated from the preferential system did not happen by chance. This measure will mean $60 million in losses for Yugoslavia in the sale of chairs to the United States. With these protectionist barriers, the United States seeks to prevent the fatal consequences that the bulky trade deficit -- which last year exceeded $170 billion -- could have on the U.S. economy.

Once again, Washington is openly violating the GATT statutes and the commitments it acquired with the GATT. It has adopted measures that prove the falseness of the widely proclaimed U.S. free trade principles.

POLISH PARLIAMENTARY DELEGATION ARRIVES 12 JAN

FL121318 Havana Tele-Rebelde Network in Spanish 1200 GMT 12 Jan 87

[Text] Mieczyslaw Rakowski, vice marshal of the Sejm of the Polish People's Republic, arrived last night in our country leading a delegation of Polish parliamentarians, at the invitation of the National Assembly of the People's Government [ANPP]. Severo Aguirre del Cristo, vice president of the ANPP, was on hand to receive the Polish representatives who will tour the country and hold meetings with several Cuban Government officials.

GREEK KKE LEADER, RISQUET DISCUSSES 'FIGHT' FOR PEACE

FL121840 Havana Tele-Rebelde Network in Spanish 1419 GMT 12 Jan 87

[Interview with Kharilaos Florakis, secretary general of the Greek Communist Party, KKE, by Tele-Rebelde reporter Maribel [no surname given], with the participation of Jorge Risquet, member of the PCC Central Committee Politburo, in Havana; no date given; Florakis speaking in Greek with consecutive Spanish translation -- recorded]

[Text] [Maribel] We would like to ask you something. Now that the century nears its end, in a world that is so contradictory, so full of economic problems, with the threat of war, what is the position of the KKE? That is, what is the KKE's fundamental struggle aimed at?

[Florakis] Without doubt, the first concern is the struggle of the Greek people to safeguard peace and to avoid a nuclear holocaust, which would mean the end of the human race. It is more obvious than ever that if we have a nuclear world war everything will be finished. That is why our party is giving particular attention to the development of the peace movement and, within a broader framework, is trying to set up a front for a change. The recent municipal elections are proof that the conditions are right at this moment for a coalition of progressive leftist forces so new vistas will open up for our people.

[Maribel] We know that the KKE does not have many members. What is the party's influence in the fight for economic gains? The things that he was telling me about, the living standards of the workers, all those things -- what influence does the KKE have among the people, among the workers?

[Florakis] In our opinion, the actual influence of our party is more extensive than election numbers show. Even our opponents, our enemies, admit this. The electoral event has its own logic. It takes place in well-known capitalistic conditions, the general conditions of the capitalist system. Unfortunately, not all who love us vote for us. They want to fightus because they know that we know how to fight. However, at electiontime, a large portion of the electorate opts for the parties it is sure willwin in the short-term. Moreover, there are other factors, too, because it is obvious, and well known, that conditions for communists under capitalism are difficult, hard. There is even persecution, imprisonment, exile. [Translator laughs and says: "My comrade tells me that we learned Spanish in prison."]

[Risquet] There is something more. I would like to add that the KKE has a long heroic history in keeping with the heroism of the Greek people. The KKE today fights for peace, true independence, the development of Greece, for the interests of the workers. There are other parties with which it has wonderful relations, the Socialist Party of Prime Minister Papandreou, which is the ruling party, which maintains a firm position in favor of the withdrawal of the American bases from Greece, for peace, for disarmament, for the abolition of nuclear weapons. Therefore, there is a great struggle by the Greek people and it finds expression in the struggle of the KKE and the Socialist Party. Greece today is the West European country with the firmest position against the warmongering plans of U.S. imperialism.

It is against Western Europe becoming the hostage of the imperialists, of the Reagan administration's demented arms race and warlike plans. Greece today plays a vanguard role in Western Europe. The KKE has contributed greatly to that role.

URUGUAYAN CP MEMBER TOURS HISTORIC PROVINCES

FL121856 Havana Television Cubana Network in Spanish 1800 GMT 12 Jan 87

[Announcer-read report over video of proceedings of meeting]

[Text] Jaime Perez, Central Committee member of the Communist Party of Uruguay, today talked with the Cuban press at the Union of Cuban Journalists headquarters. The Uruguayan leader is visiting our country at the invitation of the PCC Central Committee to attend events commemorating the 30th anniversary of the Granma landing.

He referred to his tour through historic places in the eastern provinces and economic and cultural centers of our country. Perez said Cuba's economic and social achievements have been incredible and set an example for Third World countries.

Jaime Perez noted the left-wing Broad Front Coalition's position regarding the amnesty for military members who violated human rights during the fascist military dictatorship. He said broad front members support justice, application of the law, compliance with the Supreme Court of Justice resolutions which appointed civil judges to the cases of those military members who violated human rights in Uruguay.

CHILEAN AUTHORITIES DISMISS 1,800 TEACHERS

PA111204 Havana International Service in Spanish 1600 GMT 10 Jan 87

[Text] Chilean authorities have dismissed a large number of teachers to force them to give up their demands for improved living and working conditions. The Chilean Education Ministry fired more than 1,800 teachers. Osvaldo Verdugo, president of the teachers' union, urged the teachers to struggle vigorously in defense of the interests of Chilean teachers.

CASTRO, MALMIERCA SEND GREETINGS TO PRK LEADERS

BK130731 Phnom Penh Domestic Service in Cambodian 0430 GMT 13 Jan 87

[Text] Comrade Fidel Castro, first secretary of the PCC Central Committee and chairman of the Councils of State and Ministers of the Republic of Cuba, recently sent a greetings message to Comrade Heng Samrin, general secretary of the Kampuchean People's Revolutionary Party [KPRP] and chairman of the Council of State; and Comrade Hun Sen, chairman of the PRK Council of Ministers.

The message noted:

On the occasion of the eighth anniversary of the Cambodian people's victory, on behalf of the Communist Party, government, and people of Cuba, please allow me to extend warmest fraternal greetings to you.

The Cambodian people, under the leadership of their progressive institution -- the KPRP -- have made a firm and definite advance toward socialism and successfully confronted all military threats and provocations aimed at sabotaging the revolutionary process.

We wish the fraternal Cambodian people new and greater victories and would like to reiterate the firm support of the Communist Party, government, and people to your efforts for peace, stability, and good relations with all countries in the region.

Comrade Isidoro Malmierca, foreign affairs minister of the Republic of Cuba, also sent a greetings message to Comrade Kong Korm, foreign affairs minister of the PRK, on the same occasion. The message said, among other things:

Allow me to extend fraternal greetings to you and, through you, to your colleagues in the Foreign Ministry.

I am convinced that relations between our two ministries will always strengthen and develop. I would like also to reiterate my support filled with solidarity for the heroic Cambodian people's struggle against all threats of the enemy from the outside aimed at sabotaging your revolutionary achievements.

REPORTAGE CONTINUES ON THIRD FEU CONGRESS

Castro, Students Discuss 'Fraud'

FL121220 Havana Television Service in Spanish 1800 GMT 10 Jan 87

[Announcer-read report followed by video showing meeting hall, young people, and Castro speaking from presiding table]

[Text] [Announcer] Attended by our commander in chief, Fidel Castro, first secretary of the party Central Committee and president of the Councils of State and Ministers, the sessions of the Third Congress of the Federation of University Students [FEU] resumed today. Academic fraud was broadly debated in this morning's session. Instances of fraud in various higher education centers from all parts of the country were analyzed in depth. Our commander in chief took the floor more than once to ask for clarification.

[FEU President Maria de Jesus Calderius] Would anyone like to comment on this?

[Unidentified speaker] We have done so much inventing that we have resorted to these Machiavellian mechanisms. We have tried to break into departments, file away the bars, get in through the false ceiling, go down, obtain keys to all the departments, a thousand things. We felt it was our obligation to speak about this problem because of the magnitude and the number of students that were involved. The other aspect that we would like to bring up is the technical science detachment. The....

[Castro, interrupting] Comrade, before going on, we should speak about fraud. Then we can talk about the detachment and other problems. What measures were taken against them? I know that there was that case of fraud. It was shameful. It's something that discredits the students, the young, something that is shameful to the revolution as well, very shameful. To think that a fraud of the sort you mention could occur, like the one in Villa Clara. Who knows if there is another case like that which we don't know about? What measures were taken against those students?

[Second unidentified speaker] Twenty-eight were expelled from higher education; 43 were given indefinite suspensions from higher education.

[Castro] What year were they in?

[Speaker] They belonged to first, second, and third year. There were 91 in the first year, 73 in the second, and 47 in the third year of study.

[Castro] How many were given indefinite suspensions, 41?

[Speaker] Indefinite suspensions, 45 [as heard].

[Castro] Forty-five. And where did they end up?

[Speaker] Those went to work. They are not supposed to go return to their schooling. Their cases will be reviewed in 5 years. If they have outstanding records, they will then be able to return to higher education.

[Castro] What do we want them for? When are there going to be other young people who are more prepared and better than they are?

[Speaker] Of course.

[Castro] Luckily they were not medical students, because they would never have been able to enroll again. They are lucky. They still have a chance to come back. If they had been medical students, they would not have an opportunity to enroll again in the university. Go on.

[Speaker] Measures were taken against 31 students involving indefinite suspensions to be reconsidered for the four courses. For reconsideration of 3 courses, 66 students. Conditional suspensions -- that is, students who were only slightly involved in this -- two. Suspensions for three courses, 19; for two courses, 18. The total: 211.

[Castro] The 211 were penalized?

[Speaker] Yes, mathematics, physics.

[Castro] How long did it take you to find out?

[Speaker] We found out 2 days before the August exam.

[Castro] Two days before the fraud, or what?

[Speaker] Two days before the exam. A Havana University professor told the head of one of our departments that his brother, his relative, had the physics exam that was to be given 2 days later. We immediately changed all the exams to be given that day. We were hoping to prevent it this way.

[Castro] They stole it?

[Speaker] They stole it. They went in...

[Castro, interrupting] The new exam?

[Speaker] No, they stole the first. Since we learned 2 days before, we changed 11 exams for that course that day, to prevent the fraud. In other words, there was no fraud at that time. But we immediately began to investigate what had happened. That's when we found out that there had been fraud in the last examination period, and that there had been fraud during the course as well.

[Castro] Had there ever been a fraud of that magnitude?

[Speaker] In 1976, in the (Cujai) school, a fraud involving 30-odd students, 40 students.

[Castro] In the year that the country is engaged in the rectification of errors and struggling against negative tendencies, in this very year, over 200 students of the technology school commit fraud. It is even more serious.

[Speaker] Of course.

[Castro] It is more serious.

[Announcer] Fidel also referred to the weak political-ideological work carried out by the FEU in those centers, and the need to further strengthen the measures taken against those who still carry with them those petty bourgeois traits that are unworthy of a society such as ours. The plenary session also came out against the negative attitude of some professors. What was made very clear was that the student is mainly responsible for those bad habits and that the FEU must be more demanding so that its members may study more systematically and the teaching-learning process fulfills its true objectives.

Castro Blames Teachers

FL121703 Havana Radio Reloj Network in Spanish 1902 GMT 10 Jan 87

[Text] Concerning the remarks made by a delegate to the Third Congress of the Federation of University Students [FEU], Commander in Chief Fidel Castro has pointed out that the privilege of being a student in Cuba entails a moral duty whose disregard cannot be viewed with indifference. In relation to cheating, he said that more forceful measures have to be taken.

He stressed that the teachers have a great deal of blame and responsibility in cheating, because they should know their students and what their potential is. It is impossible for every student to get excellent grades overnight. Delegate Lenin Ortega spoke about the establishment of the technical sciences detachment and its regulations, and stated that it should be similar to the medical sciences detachment as far as rigorousness is concerned.

The number of college majors and the importance that these respond to the country's actual requirements were also discussed.

CASTRO SENDS EQUIPMENT TO SPEED UP ROAD WORK

FL121241 Havana Radio Reloj Network in Spanish 1132 GMT 12 Jan 87

[Text] The three mountain road construction brigades in Pinar del Rio have received equipment sent specially by Commander in Chief Fidel Castro to speed up the work. With the machinery received, it is expected that the central mountain road in Pinar will be completed in 1988. The road will link nearly 20 agricultural-livestock production cooperatives and will make access to thickly grown areas possible. Delivery of this equipment is part of the program to step up works designed to help Pinar del Rio's agricultural-livestock development, including the resumption of dam building, objectives recently set out recently by Fidel.

Speaking at the ceremony to receive the equipment, Orlando Lugo Fonte, first party secretary in Pinar del Rio, indicated that what is even more valuable than the machinery are the spirit and determination to fulfill the task entrusted to them by Fidel.

BAHAMAS

PINDLING, MULRONEY MEET, DISCUSS BILATERAL ISSUES

FL092342 Nassau Domestic Service in English 1800 GMT 9 Jan 87

[Text] In the news at this hour, a meeting of two leaders. Canadian Prime Minister Brian Mulroney meeting with Prime Minister Pindling at the Churchill Building this morning. We have the story this afternoon. Here is Sophie Saunders:

Mr Mulroney arrived at the Churchill Building just before 1000 for talks with Prime Minster Pindling. The two leaders emerged from discussions just over an hour later having discussed bilateral issues and developments in South Africa. Prime Minister Pindling says the talks were successful.

[Begin Pindling recording] We spend this morning reexploring our own... [corrects himself] our situation, discussing the transition of chairmanship of the Commonwealth. As you know the heads of government conference is going to be in Canada later this year. We will have the honor of Prime Minister Mulroney heading that meeting and there will be something of a handing-over ceremony. We discussed the South African Issue, the South African Issue [repeats himself] as it still continues and, of course, Canadian-Caribbean subjects which are of topical concern to us both. [end recording]

Canadian Prime Minister Mulroney expressed concern over the situation in South Africa, Zambia, and Zimbabwe.

[Begin Mulroney recroding] Well, as the prime minster has said, we had an excellent discussion of bilateral issues involving the Bahamas and Canada. The commonwealth Caribbean, which is of particular interest to both of us, and the larger Commonwealth forum, whih was so-ably chaired by Prime Minister Pindling here in Nassau last year. We're concerned by developments in southern Africa. I am on my way to South Africa, to Zimbabwe and Zambia in about 10 days and I wanted the benefit of Prime Minister Pindling's council in regard to approaches there and followups that we could make at the Commonwealth conference in Vancouver next year. We had an excellent [words indistinct] and prime minister and we worked as well on the excellent state of relationships between Bahamas and Canada, which is very important to us and I thank you for your hospitality. [end recording]

Prime Minister Pindling hands over chairmanship of the Commonwealth heads of government conference in Vancouver, Canada, later this year.

GRENADA

AMBASSADOR TO U.S.-OAS TO RETURN TO ST GEORGE'S

FL121513 Bridgetown CANA in English 1905 GMT 11 Jan 87

[Excerpts] St George's, Grenada, Jan 11, CANA -- Prime Miniter Herbert Blaize has announced that Grenada's Ambassador to the United States and Organisation of American States (OAS) Albert Xavier is returning home.

Blaize told the Government Information Service (GIS) that Xavier was being brought back home to do some special assignments. [passage omitted]

A successor to Xavier in Washington has not been named.

HAITI

PARTIES UNITE TO FORM CHRISTIAN DEMOCRATIC UNION

PA122008 Paris AFP in Spanish 1405 GMT 12 Jan 87

[Text] Port-au-Prince, 12 Jan (AFP) -- Three Haitian political parties will unite their forces to create the Union of Christian Democratic Nationalists of Haiti [Union de Nacionalistas Democrata-Cristianos de Haiti], their founders announced here last night.

The participants in the new organization are Rockefeller Guerre, former deputy and coordinator of the Union of Nationalist Patriots (UPN); Sylvio Claude, clergyman and president of the Haitian Christian Democratic Party (PDCH); and Jean Renelus, also a clergyman and founder of the Jean-Jacques Dessalines Liberal Democratic Party (PDL).

The new federation declared itself open to receive, "without any exclusion, all the parties of nationalist and Christian Democratic leanings" in such a way that each member will maintain its autonomy. It said that its principle will be to "place the nation's interest above any political ambition."

JAMAICA

OPPOSITION DEMANDS DETAILS ON IMF DEAL

FL121217 Bridgetown CANA in English 1928 GMT 10 Jan 87

[By Paget de Freitas]

[Excerpts] Kingston, Jamaica, Jan 10, CANA -- Prime Minister Edward Seaga today faced opposition demands for details on Jamaica's new agreement with the International Monetary Fund (IMF) and for a general election in the wake of his dismissal of cabinet Minister Douglas Vaz for disagreement with the pact.

If the price (of the IMF agreement) is too high to be paid, we must know what is contemplated and the people given an opportunity to express their views through elections, declared opposition People's National Party (PNP) Chairman, P.J. Patterson.

The Marxist Workers Party of Jamaica (WPJ) called for full and immediate public disclosure of the package. [passage omitted]

Patterson said that a difference as fundamental as that between the prime minister and his former cabinet colleague raised not only serious concerns about his government's economic strategy but also raised fears of the economic and social consequences which face the people. [passage omitted]

Patterson said that Vaz's revelation about the IMF agreement supported a contention by the PNP leader Michael Manley yesterday before the cabinet squabble came public, that the government had no moral authority to add to the country's tax burden before seeking legitimacy in an election.

With Mr Vaz's disclosures, the public is left with no other impression than that the content of the agreement are so anti-Jamaican that even a member of Mr Seaga' own cabinet who has been long associated with right-wing politics, cannot now stomach the latest IMF terms, the WPJ said.

The squabble between Seaga and Vaz highlighted cracks in the government that began to become more apparent after the JLP's heavy defeat by the PNP in municipal elections here last July.

At a party retreat in September, Seaga announced that he would step down as JLP leader at their annual conference last November as prime minister in August. But at the same time he also announced plans to reshuffle the cabinet.

The move was widely viewed here as a ploy to diffuse criticisms from parliamentarians and other party workers who blamed the defeat on the government's economic policies which are mostly associated with Seaga.

Seaga, as he had done in a similar circumstance in 1979 withdrew his resignation at the urging of senior party members and what he said was an outpouring from a wide cross section of the society that he stay on.

OPPOSITION PARTIES URGE HOYTE TO HOLD DIALOGUE

FL121618 Bridgetown CANA in English 1548 GMT 12 Jan 87

[Text] Georgetown, Guyana, Jan 12, CANA -- Five of Guyana's opposition parties have called on President Desmond Hoyte to open a dialogue on democracy with them in 1987. The parties, grouped in the Patriotic Coalition for Democracy (PCD), made the proposal in a statement marking the PCD's first anniversary.

The grouping comprises the People's Progressive Party, the Working People's Alliance, the Democratic Labour Movement, the National Democratic Front and the People's Democratic Movement. It was formed after the parties alleged that the December 1985 elections were fraudulent. The sixth opposition group to contest the poll, the United Front (UF), is not a member. The UF however joined with the PCD in boycotting last year's municipal vote because requested electoral reforms were not implemented.

The statement said one year after the PCD's formation, the Ruling People's National Congress was driving people to lose faith and hope in the democratic process. Many Guyanese no longer feel that electoral fairness will be possible in their lifetime -- many are beginning to regard crooked elections as their faith, it added.

The statement said that Guyanese expected a democratic renewal of the type advancing in Latin American under President Hoyte, in office since August 1985. "Those Caribbean leaders who have failed to use moral suasion on the Guyana Government to impel it towards a democratic regime of electoral arrangements, have lost a real opportunity to serve the region and ensure that it boast a healthy democratic record," the statement said. "Our outstanding demand for 1987 is for President Hoyte to open a dialogue about the road to democracy with the opposition parties in the PCD.

"This demand will have to be fought for -- the PCD will spare no effort in 1987 to organise both local and regional support for its realisation," the statement said.

TIMEHRI AIRPORT HEIGHTENS SECURITY MEASURES

FL121140 Bridgetown CANA in English 1423 GMT 10 Jan 87

[Text] Georgetown, Guyana, Jan 10, CANA -- New security arrangements are in force at the Timehri Airport, officials said.

They said the strengthened security will allow officials to better detect drug smugglers and other offenders.

The officials said several people had recently been ejected from restricted areas of the airport and charged with contravening regulations.

GOVERNMENT ASKS NETHERLANDS AMBASSADOR TO LEAVE

PA102002 Paris AFP in Spanish 1923 GMT 10 Jan 87

[Text] Paramaribo, 10 Jan (AFP) -- The state-owned SNA today [Suriname News Agency] reported that the Surinamese Government has officially asked the Netherlands to withdraw its ambassador to Paramaribo, D.J. van Houten.

The demand is in the framework of the controversy that exists between the Netherlands and this former Netherlands colony in South America as a result of the alleged complicity of The Hague with factors that promote the guerrilla group of Ronnie Brunswijk fighting in a jungle region of eastern Suriname against the regime of Commander Desi Bouterse.

Reportedly, the Netherlands, where thousands of Surinamese immigrants live, is promoting that group because of its doubts about the democratization process and human rights situation in Suriname, according to what former President Henk Chin A sen and other supporters of Brunswijk's guerrillas are saying.

The note calling for the withdrawal of Van Houten was delivered to the Netherlands Foreign Ministry by Surinamese Charge d'Affaires in The Hague Carlo Spier. SNA said that 25 January is the deadline for withdrawing the ambassador.

The Surinamese Foreign Ministry has declared that "the government has reached the conclusion that Van Houten's activities make cooperation with him impossible" since he has "intervened in the domestic affairs of Suriname." The ministry announced that Foreign Minister Henk Herrenberg will give further details on this next week.

COMMISSION ANNOUNCES FOREIGN EXCHANGE REDUCTION

FL082144 Paramaribo International Service in English 1800 GMT 8 Jan 87

[Text] It has been announced here that from January 15, the traveling allowances and foreign exchange will be reduced. From that date, persons leaving Suriname will be allowed to take out a maximum amount equaling 270 Surinamese guilders in foreign exchange from the country. Until now the amount stood at 525 guilders. However, the amount allowed to travel to neighboring Guyana and French Guinea will remain unchanged at an amount equaling 50 guilders per person per year.

In making the announcement, the Foreign Exchange Commission said the measure was taken because of the foreign exchange situation in the country, which has worsened during the past year with no signs of improvement in the future.

The last time such measures were taken was in May 1985.